Table A.1

Key Financial Soundness Indicators

	As at end				
	2014	2015	2016	2017	1H 2018*p*
	% (or otherwise stated)				
Banking System					
Total Capital Ratio	15.9	16.6	16.5	17.8	17.0
Tier 1 Capital Ratio	14.0	14.2	14.0	14.9	13.5
Common Equity Tier 1 Capital Ratio	13.3	13.3	13.1	14.0	12.7
Return on Assets	1.5	1.3	1.3	1.5	1.5
Return on Equity	15.2	12.3	12.5	13.0	13.3
Liquidity Coverage Ratio[1]	-	125.1	124.3	134.9	139.3
Net Impaired Loans Ratio	1.2	1.2	1.2	1.1	1.0
Capital Charge on Interest Rate Risk in the Trading Book to Capital Base	1.4	1.2	1.1	1.0	1.2
Net Open Position in FCY to Capital Base	4.7	6.1	6.3	6.1	5.2
Equity Holdings to Capital Base	1.3	0.7	1.5	1.9	0.7
Insurance and Takaful Sector					
Capital Adequacy Ratio	243.5	245.2	243.7	233.0	239.3
Life Insurance and Family Takaful					
Excess Income over Outgo (RM billion)	13.8	12.0	13.3	19.0	2.9
New Business Premiums / Contributions (RM billion)	12.9	13.2	14.2	15.1	8.2
Capital Adequacy Ratio[2]	235.8	242.5	239.1	226.2	230.3
General Insurance and General Takaful					
Underwriting Profit (RM billion)	1.8	1.3	1.8	1.3	0.7
Operating Profit (RM billion)	3.2	2.7	3.4	2.7	1.3
Gross Direct Premiums / Contributions (RM billion)	19.1	19.5	19.7	19.9	10.5
Claims Ratio	57.5	60.2	55.9	58.6	58.0
Capital Adequacy Ratio[3]	272.2	258.2	266.2	268.8	263.9
Household (HH) Sector					
HH Debt (RM billion)	960.1	1,030.5	1,086.2	1,139.9	1,165.7
HH Financial Asset (RM billion)	2,015.0	2,119.3	2,232.4	2,423.5	2,458.4
HH Debt-to-GDP Ratio	86.8	89.0	88.3	84.2	83.8
HH Financial Asset-to-Total HH Debt Ratio	209.9	205.7	205.5	212.6	210.9
HH Liquid Financial Asset-to-Total HH Debt Ratio	147.5	142.4	140.7	145.2	144.1
Impaired Loans Ratio of HH Sector	1.9	1.6	1.6	1.6	1.6
Business Sector					
Return on Assets	6.0	4.9	4.6	4.4	4.5[4]
Return on Equity	10.2	8.8	7.9	7.7	7.6[4]
Debt-to-Equity Ratio	39.2	43.2	43.0	47.0	50.4
Interest Coverage Ratio (times)	12.0	10.6	11.5	9.1	8.2[4]
Operating Margin	15.9	14.8	14.5	15.4	13.9[4]
Impaired Loans Ratio of Business Sector	2.6	2.5	2.5	2.6	2.6
Development Financial Institutions[5]					
Lending to Targeted Sectors (% change)	7.0	5.5	5.7	0.1	-1.9
Deposits Mobilised (% change)	5.3	2.0	6.4	4.8	2.4
Impaired Loans Ratio	5.0	4.8	5.9	5.1	6.0
Return on Assets	1.6	1.4	1.0	1.4	1.2

[1] The Basel III Liquidity Coverage Ratio (LCR) Framework takes effect on 1 June 2015 and supersedes the guidelines on Liquidity Framework and Liquidity Framework-i issued on 1 July 1998
[2] Figures include composite insurers and takaful operators with larger proportion of life or family business
[3] Figures include composite insurers and takaful operators with larger proportion of general business
[4] Based on data for the twelve months ending June 2018
[5] Refer to development financial institutions under the Development Financial Institutions Act 2002
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Source: Bank Negara Malaysia, Securities Commission Malaysia, Bursa Malaysia, Bloomberg, Department of Statistics, Malaysia and internal computation